

April 26, 2005 - AGENDA REPORTS SPECIAL MEETING

Agenda Item No. 1.

City of Wichita
City Council Meeting
April 26, 2005

Agenda Report No. 05-0360A.

TO: Mayor and City Council

SUBJECT: Sewage Treatment Plant Site Selection – North Central (District VI)

INITIATED BY: Water and Sewer Department

AGENDA: Unfinished Business

Recommendation: Select a site for a future Sewage Treatment Plant in the north central area of Wichita.

Background: The updated 2000 Sewer Master Plan calls for the construction of a new sewage treatment facility within the next decade to serve north central Wichita. To construct the facility, the Water & Sewer Department must first acquire an appropriate site. The City hired Professional Engineering Consultants to assist in the identification and evaluation of possible sites.

The City employed a multi-phase approach to identifying an appropriate site. The first phase was an evaluation of sites by a committee composed of City Staff, consulting engineers and citizens appointed by District Advisory Board (DAB) VI. The next phase involved citizen input. A public information fair was conducted on January 25, 2005, to answer citizens' questions and provide an opportunity to present their concerns and comments. Staff then presented the findings of the study and the information fair at the District Advisory Board meeting on March 7, 2005. The technical review, the information fair findings and the DAB recommendation will now be presented to City Council for review and action.

Analysis:

Technical Review

The site selection committee, composed of City staff, consulting engineers and selected members of the District Advisory Board performed a technical review of potential sites in this area. The committee used the following criteria:

- Initial Siting Criteria
- o Location relative to the drainage basin

- o Separation from residences
- o Natural screening
- o Potential for development
- Secondary Siting Criteria
- o Additional costs to develop site
- o Ability to service future development
- o Permitting issues

Using these criteria, the committee ranked sites 6, 4, and 5 (in this order) highest, based on their technical merits.

Public Information Fair

Staff presented this information to the public at a City sponsored “information fair” on January 25. The information fair was open to all interested parties and was communicated to people in District VI via public announcements and door hangers in the area closest to the proposed sites. Citizens were given the opportunity to discuss with the evaluation committee, other City Staff, state regulators and others, issues and concerns about a sewage treatment facility in the area. The citizens were also asked to provide feedback about site preferences and concerns. Following is some of the feedback regarding site preferences and dislikes with 56 responses received.

· Most Desirable Site:

- o Site 4 ranked most desirable with 37 respondents indicating it to be one of their most desirable sites
- o 13 respondents indicated that site 6 was the most desirable of the proposed sites

· Least Desirable Site:

- o Site 5 ranked least desirable with 28 respondents indicating that it was their least desired site
- o 21 respondents indicated site 6 was least desirable

· Concerns

- o The top two concerns were odor from 55 respondents and property value from 47 respondents
- o The lowest two concerns were disturbance of recreational areas and loss of parkland receiving 4 and 3 votes respectively

District Advisory Board Presentation

Staff presented DAB VI with the findings from the technical review and from the public information fair and asked the DAB to provide recommendations for preferred sites that Staff could present to the City Council. Because of limited regulatory and property ownership concerns (all preferred sites are currently owned by the City) the DAB recommend only one site. After a period of public comment and some deliberation among members of the DAB, the DAB recommended that a 20-acre site in the northwest corner of Site 4 be presented as the preferred choice. It was mentioned during the public comment period that Site 4 would be developed after being mined for sand. There were conflicting ideas about the type of zoning the land will receive after the mining is complete. Under any zoning classification, the site will require a conditional use permit.

Because the General Fund of the City owns all of the sites, the City Council may direct the Utility to acquire the site in consideration of the land value. Based on recent land

sales in the area, Staff believes the land could be valued at \$5,000 per acre.

Financial Considerations: Financing is available in CIP S-522, Plant Siting Study and Land Acquisition.

Legal Considerations: City Council approval is required for the purchase of real property.

Recommendations/Actions: It recommended that City Council: 1) select a site; 2) direct Staff to acquire the site for future construction of a sewage treatment plant; and 3) authorize the necessary signatures.

Agenda Item 2.

City of Wichita
City Council Meeting
April 26, 2005

Agenda Report No. 05-0394

TO: Mayor and City Council

SUBJECT: Current Refunding of Water and Sewer Utility Revenue Bonds,
Series 2005A

INITIATED BY: Department of Finance

AGENDA: New Business

RECOMMENDATION: Approve the award of the sale.

BACKGROUND: On March 22, 2005, the City Council designated Citigroup to serve as lead underwriter in a negotiated offering of revenue refunding bonds. Since that date, staff has worked to distribute the Preliminary Official Statement and negotiate the details of the sale with the designated lead underwriter.

ANALYSIS: The plan of financing for the negotiated issue includes the marketing of the 2005A Water and Sewer Utility Revenue Refunding Bonds. Citigroup is acting as the lead underwriter for the bonds that has a current principal amount of \$45,285,000. The marketing of the bonds occurred in Chicago with Citigroup taking orders for bonds from syndicate members and other brokerage houses with offices in Wichita.

FINANCIAL CONSIDERATIONS: Based on current market conditions, savings totaling \$1.8 million is equal to approximately \$160,000 per year through 2016. The present value savings equals approximately 3% of refunded debt service. The actual savings and present value savings will be identified on the day of the sale.

LEGAL CONSIDERATIONS: Bond Counsel has drafted the bond ordinance and resolution needed to execute the issuance of the bonds and has also drawn up the bond purchase agreements for the sale of the bonds to the underwriters as well as the official statement.

RECOMMENDATION/ACTION: It is recommended that the Council: (1) approve the Bond Purchase Agreement and (2) adopt the Bond Ordinance and Resolution and (3) authorize the Mayor to execute the Request for Declaration of Emergency.